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Non-Service- Connected Pension



References

- 38 Code of Federal Regulations (CFR)
- 3.2 Periods of War
- 3.3 Definition of pension
- 3.23 Improved Pension Rates
- 3.271-3.277 Computation of Income



Lesson Objectives

- Basic eligibility requirements necessary to establish entitlement to improved disability pension and death pension.
- Information necessary to develop a disability pension claim.

Eligibility for a Disability Pension

- Wartime service
- Character of service “other than dishonorable”
- A certain length of service
- Family income under a certain limit
- Net worth is not excessive
- Veteran is permanently and totally disabled

War Time Periods

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- **Gulf War/OIF/OEF/OND**: August 2, 1990 through date to be prescribed by Presidential Proclamation or law
 - **Vietnam**: August 5, 1964 through May 7, 1975
 - Earlier date of February 28, 1961 for veterans who served in the Republic of Vietnam
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War Time Periods



- Korea: June 27, 1950 through January 31, 1955



- World War II: December 7, 1941 through December 31, 1946



- World War I: April 6, 1917 through November 11, 1918
- If the vet served with the U.S. military in Russia, ending date is April 1, 1920

Basic Service Requirements

- Veteran served at least 90 consecutive days, one day of which was during a period of War.

OR

- Served any amount of time and was discharged for a disability incurred or aggravated in service.

Length of Service

- **Enlisted** personnel who originally enlist after September 7, 1980 must have 24 months of continuous active duty or the full period for which they were called to active duty.
- **All persons**, including officers, who enter active duty after October 16, 1981 must have 24 months of continuous active duty.

Income Requirements

- VA counts income of veteran and all dependents except parents.
- Income is classified two ways: earned and unearned.
- In general, all income is countable unless specifically excluded by 38 CFR 3.272

What Counts?

- Gifts and inheritances
- Gains from gambling
- Income from joint accounts
- Income from earnings
- Life Insurance
- Unemployment compensation

What Doesn't...

- Welfare and SSI
- Income Tax refunds
- **Interest** on Individual Retirement Accounts (IRA)
- VA Burial Benefits

Are you stressed...



Common Deductible Expenses

- Medicare premiums
- Private Medical Insurance premiums
- **Out-of-Pocket Un-reimbursed** Medical expenses
 - 5% deductible . . .
 - 5% of the maximum pension rate including additional benefits for dependents
 - not including additional benefits at the Housebound or Aid and Attendance levels

Current Income Limits

12-01-2013

Improved Pension

- single veteran = \$12,642.84 (\$1053.57)
- single veteran HB = \$15,456.48 (\$1288.04)
- single veteran with A&A = \$21,095.76 (\$1757.98)
- Higher amounts for veterans with dependents
- Website: www.vba.va.gov

Pension Levels

- Pension – only requires permanent and total disability
- Housebound – requires assistance to leave home
- Aid and Attendance – requires the care of another person on a daily basis

Net Worth

- The market value of all assets owned by the veteran
 - Except his/her home and reasonable personal belongings
- Minus debt owed on these assets

Evaluating Net Worth

- Are the veteran's financial resources sufficient to meet his/her basic needs without assistance from the VA?
- If a claimant's assets are sufficiently large, the claimant is expected to use these assets to pay for living expenses (\$80,000).

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Part V Pension and Parents DIC

Subpart III Authorization Issues

Chapter 1 Effect of Income and Net Worth

Section J Net Worth

70. Denial Due to Excessive Net Worth

Net Worth Includes

- Stocks, Bonds, Bank Deposits.
- Real Estate (other than the veteran's primary residence).
- Investment property such as an antique car or coin collection.



Incarcerated Veteran

A veteran who is in receipt of pension and is incarcerated in excess of 60 days for a misdemeanor **or** a felony will have his/her benefit terminated

The benefit may be reinstated when the veteran is released

The veteran **MUST** submit an EVR and supporting documentation to get the pension reinstated

Public Law 107-103

- Effective September 17, 2001, the VA presumes **permanent and total disability** if a veteran is:
 - A patient in an approved nursing home for long-term care due to disability, or
 - Receives Social Security Disability benefits, or
 - Is age 65 or older when VA application is received

Submitting a Claim for Pension

- For an original claim, completely fill out 21-526
- Make sure income, net worth, and dependency sections are complete
- If veteran has previously filed a claim for compensation or pension, submit 21-527 or 21-527EZ

Forms???

- **21-526**

(application for comp and/or pension)

OR

- **21-527 or 527EZ** (application for pension)

AND

- **21-22** (power of attorney)

- **21P-8416** (un-reimbursed medical expenses)

Submitting a Claim for Pension

- Submit evidence of military service - certified DD-214 or discharge.
- Make sure veteran signs the application.

Current Pension Programs

- Old Law
- 306
- Improved Pension
(All new claims)
- If in receipt of 306 and claiming HB or A&A,
must elect Improved Pension

Conclusion

– Eligibility

- Wartime Service
- Honorable service
 - 90 days or 24 months or ‘full period’
- Income and net worth within limits and...

Conclusion

- Complete dependency information.
- Medical evidence of permanent and total disability if veteran is under age 65, not in a nursing home, and not receiving Social Security Disability benefits.